

Contract No. 14-06-200-7863A-R1

R.O. Draft 07/24-2003

AGREEMENT BETWEEN THE
SACRAMENTO RIVER WATER CONTRACTORS ASSOCIATION
AND THE
UNITED STATES BUREAU OF RECLAMATION

THIS AGREEMENT is made and entered into this ____ day of _____, 2004, by and between the SACRAMENTO RIVER WATER CONTRACTORS ASSOCIATION (herein call Association) and the UNITED STATES BUREAU OF RECLAMATION (herein called Reclamation).

RECITALS

[1st] The Association is composed of a group of Sacramento River Settlement Contractors (Contractors), each of whom has a contract with Reclamation for diversion of water from the Sacramento River, including Project Water supplied by the Central Valley Project. The Association has been formed for the purpose of facilitating the exchange of Project Water among the members of the Association, pursuant to their respective contracts with Reclamation.

[2nd] Reclamation recognizes the desirability of the existence of such an Association of Contractors and recognizes the desirability of exchanges of Project Water by the Contractors through the Association. Reclamation also recognizes the advantages of merger or consolidation of the members of the Association or other Contractors to the extent deemed desirable by the members or other Contractors involved.

[3rd] It is the desire of the Association and Reclamation to identify and confirm the procedures which will be used for the exchange or sale of Project Water under the members' respective contracts.

AGREEMENTS

1. The term of this agreement shall extend until the expiration of the Sacramento River Settlement Contracts in the year 2044, or the dissolution of the Association, whichever shall first occur.

2. The Association will advise Reclamation of its membership on the effective date of this contract and of any changes by April 1 of each year thereafter.

3. The Association having agreed among its members to exchange Project Water, Reclamation agrees that the exchange among such Association members of all Project Water within the total amount of Project Water ordered by all Association members appropriate: Provided, that the collective uses of the members of the Association do not exceed the collective Project Water orders of all Association members for that irrigation season.

4. To the extent that the total Project Water available to members during a particular irrigation season exceeds the anticipated uses of the membership, the Association shall be privileged to arrange for the sale of such water on behalf of its membership to other users in the Sacramento River Basin, subject to prior written approval of Reclamation.

5. Nothing herein shall be deemed to jeopardize or affect the ability of each member of the Association to make use of all Project Water within the firm order made by that member to Reclamation.

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IN WITNESS WHEREOF, the parties hereto have executed this agreement the day and
year first above written.

UNITED STATES OF AMERICA

By _____
Regional Director, Mid-Pacific Region,
Bureau of Reclamation

SACRAMENTO RIVER WATER

CONTRACTORS ASSOCIATION

By _____